

**THE
FARMERS'
MUTUAL
FIRE INSURANCE
COMPANY
OF
PHILADELPHIA AND BUCKS COUNTIES.**

1856

CHARTER,
BY-LAWS,
AND
CONDITIONS OF INSURANCE,
OF THE
FARMERS'
MUTUAL FIRE INSURANCE COMPANY
OF
PHILADELPHIA AND BUCKS COUNTIES.

BRISTOL, PA :
William Bache, Printer.
1856.

DIRECTORS AND OFFICERS
OF THE
COMPANY.

Directors :

A. MURRAY McILVAINE,	PEARSON HAMBLETON,
ANTHONY BURTON,	AMOS V. SCOTT,
JESSE G. WEBSTER,	GARRET V. SCOTT,
JAMES TOWNSEND,	JESSE HELLINGS,
CHARLES WALMSLEY,	SAMUEL KIRK,
CHARLES KNIGHT,	CHARLES W. TAYLOR.

President,

A. MURRAY McILVAINE.

Secretary,

JAMES TOWNSEND.

Treasurer,

CHARLES WALMSLEY,

Surveyors,—PEARSON HAMBLETON, JESSE G. WEBSTER,
JESSE HELLINGS, EDWARD WILDMAN, JESSE L. STACK-
HOUSE, SAMUEL KIRK, and CHARLES KNIGHT.

11th mo., 10th, 1856.

8th Dec 1

CHARTER.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania, in General Assembly met, and it is hereby enacted by the authority of the same,* That William B. Vandegrift, James Carter, Jacob Shearer, George Harrison, John P. Townsend, Cyrus Peirce, Charles Knight, Jesse James, James Townsend, Seth Knight, Josiah Walton, Ezra Croasdale, jr., and Samuel Kirk, and all other persons who may hereafter associate with them in the manner herein prescribed, shall be and are hereby constituted and declared to be one body politic and corporate, by the name of the "FARMERS' MUTUAL FIRE INSURANCE COMPANY OF PHILADELPHIA AND BUCKS COUNTIES," for the purpose of insuring their respective dwelling-houses, barns, stores, shops, and other out-buildings, household furniture, agricultural products, merchandise, and other property, against loss or damage by fire; and also to ordain, establish and put in execution, such by-laws, ordinances and regulations, as shall appear necessary and convenient for the government of the said corporation, not being contrary to this Charter, or the laws of the United States or of this Commonwealth.

SECT. 2. All persons who shall hereafter insure with the said Corporation, and also their heirs, executors, administrators and assigns, continuing to be insured with the said Corporation as hereinafter provided, shall hereby become Members thereof during the period they shall remain insured by the said Company, and no longer.

SECT. 3. The affairs of the said Company shall be managed by a Board of Directors, consisting of thirteen Members, to be elected and chosen as hereinafter provided, which Board shall appoint from their own number one person as President, and one person as Secretary, of the Board; they shall also appoint one person as Treasurer, of whom they shall require such securities as they may

judge sufficient for the monies and effects deposited in his hands; they shall also appoint such other officers, and employ such agents and attorneys, as may be found necessary for the transaction of the business of the institution; and shall also determine the rates of insurance on the different classes of property, and fix the sum to be insured. The said Directors shall have full power to suspend, remove or displace any officer or agent of the Company, and supply any vacancy that may happen by death, removal or resignation, among their own Members of the Board, until the next annual election; and a majority of the whole shall constitute a quorum to do business, which shall be done and transacted at such place as shall be fixed on by a majority of the Directors at any regular meeting of the Board. The persons named in the first section of this act shall be the first Directors, to continue in office until their successors are elected.

SECT. 4. The Members of the Corporation shall hold meetings annually on the second Second-day of the Eleventh month, in each and every year, for the election of Directors, at such place as may be previously agreed upon by a majority of the Board of Directors, who shall give public notice thereof in a sufficient number of handbills put up at the most public places, within the bounds of where the Members reside, at least thirty days previous thereto; the said election to be holden under the inspection of three Members not being Directors, to be appointed by the Directors previous to every election, which shall be made by ballot, and by a plurality of the Members present, each Member to be entitled to one vote; the time for opening the same to be two o'clock in the afternoon, and to continue open until four o'clock of the same day, when the polls shall be closed, and the persons conducting the same shall certify the result thereof, under their hands, and lodge the same among the papers of the Corporation. Said Directors to continue in office one year, or until others are elected; and they shall, at the annual meetings of the Company, present a general statement of its affairs.

SECT. 5. In case of any loss or damage by fire happening to any Member, upon property insured in and with said Company, the said Member shall immediately give notice to three or more of the Directors, who shall as soon as possible repair to the place; and if on viewing the same

they find only a partial loss sustained thereby, proceed and value the same; and if the party suffering such loss is not satisfied with the valuation thus made, the decision of the same to be submitted to three disinterested persons as referees, to be mutually chosen by the parties, whose award shall be final.

SECT. 6. The Directors shall, after receiving notice of any loss and damage by fire sustained on property insured by the said Corporation, and ascertaining the same, or after the rendering of any judgment or award as aforesaid against said Company for such loss or damage, settle and determine the sums to be paid by the several Members thereof, in proportion to the amounts of the premium or per centage on the property insured to each Member, and give written notice individually to each Member, within twenty days from the time they are thus informed; the said money to be paid into the hands of the Treasurer by each Member within thirty days from the time notice is thus given; and in case such payment is not made within that time, each and every Member of the Company so neglecting to pay, shall in addition thereto pay a fine of one dollar a week until the aforesaid sum assessed is paid; and if the tax thus assessed and the fines accrued thereon is not paid within fifty days thereafter, he, she or they so neglecting or refusing to pay, shall be excluded from any benefit or advantage derived from his, her or their insurances respectively, and of all right to the stock of the Company, and shall, notwithstanding, be liable to such rates pursuant to his, her or their covenants and agreements, to be collected as other debts are by law recoverable: *Provided*, That in case of a small loss by fire being sustained by any Member of the Company, and there being sufficient funds in the treasury to discharge the same, the Directors may in such case, direct the Treasurer to pay the Member sustaining such loss the amount thereof; and further, that any three of the Directors, viewing such damage when called on, shall adjudge the amount thereof, and report the same to the Secretary, who shall draw an order on the Treasurer for the amount of the said damage done, in all cases where the sum so adjudged and agreed upon shall not exceed the sum of fifty dollars, *Provided*, That there is funds sufficient in his hands for the payment of the same.

SECT. 7. The Directors shall have full power on behalf of the Corporation, to make insurances against losses by fire, on any house, tenement, barns, mills, shops, stores, and all other out-buildings; and on goods, wares, merchandise, and effects, and household furniture therein; and on hay, grain, and other agricultural products in barns, stacks or otherwise, and generally on all kinds of goods, merchandise and effects, (except cotton and woolen manufactories, distilleries, powder mills, public buildings, buildings and other property in incorporated boroughs; also books of accounts, bills, bonds, ready money, jewels, plate, paintings, engravings, and on all kinds of distilled liquors,) to make, execute and perfect such and so many contracts, bargains, agreements, policies, and other instruments, as shall or may be necessary and as the nature of the case may require; and every such contract, agreement and policy, to be made by the said Corporation, signed by the President and Secretary. And the said Directors are hereby empowered to have made and procure a seal, with such device as they may deem proper, to be used by them as the common official seal of the Company.

SECT. 8. Suits at law may be maintained against said Company, by any Member thereof, for any losses or damage by fire, if payment is withheld more than ninety days after the Company is duly notified of such losses; and no Member of the Corporation, not being in his own individual capacity interested, shall be incompetent as a witness in such cause as aforesaid, on account of his being a Member of the said Corporation: *Provided*, the Company do agree to rebuild or replace the property so lost or damaged, in which case reasonable time shall be allowed them.

SECT. 9. That in case any person insured, named in any policy or contract of insurance made by the said Corporation, shall sell, convey or assign the property so insured, it shall be lawful for such person insured, to assign and deliver to the purchaser such policy or contract of insurance; and such assignee shall have all the benefit of such policy or contract of insurance, and may bring or maintain a suit in his, her or their name, for losses occasioned by fire on the property so assigned: *Provided*, That within thirty days after such assignment is made, and before any loss happens, he, she or they signing the Constitution, and having his, her or their assignment recorded, will be considered a

Member of the Company. Any Member may be released from the said Company upon payment of all arrearages of money, due from him or her thereto, and surrendering their policy or policies to the Treasurer, before any subsequent expense or loss has occurred.

SECT. 10. It shall be lawful for the said Directors to employ and improve all monies received by them, and the profits thereof, in case it is not wanted immediately for the purposes of the Corporation, in any loans, on good and sufficient security; and no money shall be drawn from the funds of said Company, for the purpose of making dividends or dividing profits, nor for other purposes, than first to defray the current or incidental expenses of the Corporation, and then for the purpose of such damages as any Member of the said Company or insurer may be justly entitled to.

SECT. 11. The nett profits arising from interest or otherwise, shall be ascertained yearly to each Member, in proportion to his, her or their insurance respectively, for which each Member shall have a credit on the Company's books: nothing in this Charter to be construed as to allow any of the funds of the Association to be used for banking purposes.

SECT. 12. No policy shall be issued by the said Company until application is made for insurance to the amount of one hundred thousand dollars.

SECT. 13. No insurance shall be made by the said Company for a longer period than twenty years.

SECT. 14. This act to take effect immediately after its passage, and shall continue in force twenty years; but the Legislature of the Commonwealth may at any time alter, modify or annul its provisions.

SECT. 15. Proposals to alter or amend the Constitution may be made at an annual meeting of the Company, and if approved of at the succeeding annual meeting thereof, by a majority of the Members met, may be adopted and become a part thereof: *Provided*, the same is not repugnant to the Constitution and laws of the United States or of this Commonwealth.

BY - LAWS ,

AND

CONDITIONS OF INSURANCE.

ARTICLE 1. The Members may enter any or all of their buildings, either with or without their contents; a landlord may enter the buildings: the tenant the property contained in them, *Provided*, that none of the property comes within the exceptions made in the Constitution; and that no building, with its contents, be insured for more than three thousand dollars.

ART. 2. The real estate belonging to the Company, such as houses, mills, barns, shops, and other buildings, shall be valued at their actual cash value. Personal property belonging to the Members, such as household furniture, store goods, the contents of mills, barns and other buildings, shall be covered by the Company, except such as is prohibited in the Constitution.

ART. 3. All property, both real and personal, shall not be insured for more than three-fourths of their actual cash value: *Provided, nevertheless*, That all barns and their adjoining buildings, together with their contents, which may be destroyed by fire, not having lightning conductors in good order, the insurance shall not be granted for more than two-thirds of the actual cash value thereof.

ART. 4. If any building insured by this Company be already insured, or shall be hereafter insured by any policy issued by any other Company, or by any private insurer, or otherwise, such insurance must be made known to the President and Secretary, and mentioned in and endorsed upon the policy, otherwise the policy will be void.

ART. 5. It shall be the duty of the insured in any building in which a fire is kept up, to prepare a place, made of iron, stone or brick, to put and keep for the time the live ashes therein, to be done within thirty days from the time

of obtaining such insurance, otherwise the policy shall be void.

ART. 6. It shall be the duty of every Member or Members of this Company, who are about making improvements, or material alterations and additions, to the buildings he, she or they have insured, to inform the President and Secretary thereof, otherwise the policy shall be void and of no effect; and if any Member or Members of the Company should wish to enlarge his, her or their insurance, and the Directors are of the opinion that the buildings or other property insured, from improvements made, or otherwise, will bear an additional sum, then in that case the accounts shall be made up and settled, the old policy cancelled, and a new one granted for the entire sum.

ART. 7. Each and every Member of the Company having property insured, shall have one or more policies, as the case may require, signed by the President and Secretary, all which insurances shall be good and valid from the time of taking out such policy or policies, on the payment of the charges and expenses attendant thereon, to the expiration of the term of such policy or policies, and no longer; but at the expiration of the said term a new survey and policy shall be made and obtained.

ART. 8. All policies having expired, may be renewed on such conditions as the Directors may deem expedient for the advantage of the Company; and each building shall be distinctly and separately valued, and the principal sum therein insured specified. And every Member shall pay into the hands of the Surveyor, at the time of his executing the survey, twenty-five cents on every five hundred dollars of the amount of valuation, and the same ratio for all other larger amounts of valuation, as may be determined by the Surveyor; also, each and every Member, having personal property insured, shall pay in the same ratio of valuation, into the hands of the Secretary, where no survey is taken; the amount so paid to be considered as funds of the Company, and shall be paid over to the Treasurer.

ART. 9. Any Member insuring in other Companies, covered in part by this Association, such person or persons shall not be entitled to receive more than three-fourths of the value of the said buildings or property, which valuation shall include all the insurances being made on the

aforesaid buildings or property; and in case of a partial or total loss by fire, of the same, this Company shall not be liable to pay more than a fair ratable proportion of said loss. And in case of a sale or transfer of the buildings or property hereby insured, the policy may be transferred with the building, as provided for in the Constitution; but if the policy is not transferred with the buildings or property by the insured, the policy may be returned to the Secretary, who shall make a deduction on the same for the amount of the property therein described.

ART. 10. It shall be the duty of the Surveyor, within three days after application shall have been made, to examine, survey and take the correct description and dimensions of all property to be insured by this Company, and set a valuation thereon, taking into consideration the exposure and liabilities of the premises to be insured to loss or damage by fire, and the present condition of said property, and fix the percentage thereon, according as it shall be hereafter specified and determined by the Directors in the *Conditions of Insurance*, and furnish the Secretary with an accurate copy of the same within three days after the survey shall have been executed: And in default of, or neglecting to perform the duties above specified, he shall be subject to a fine or penalty of not less than one dollar, or not to exceed ten dollars; which shall nevertheless be subject to the decision of a majority of the Board of Directors.

ART. 11. The Secretary shall keep a true and fair account of all matters touching or relating to the interests of the Company, to make all the necessary entries, fill up all policies, sign and record the same, and prepare the Annual Statement of the Directors.

ART. 12. The Treasurer for the time being, and his successors in office, shall have the particular charge and care of the monies and effects deposited in his hands; and shall from time to time pay over, dispose of, and deliver the same, according to the orders of the Board of Directors, signed by the Secretary: He shall keep fair and regular books of accounts of monies, etc., confided to his care; and shall before he enters upon the duties of his office, give such security as may be required of him by the Board of Directors, for the faithful discharge of his trust; and at the expiration of his term of office, deliver up to his

successor in office, all the books, papers, monies and effects that may be in his hands belonging to the Company; and present a correct statement of his accounts annually to the Directors.

ART. 13. It shall be the duty of the Directors to assess the loss or damage that may be sustained by any Member or Members of the Company, as soon as practicable after the occurrence of fire, to levy an adequate tax to meet the loss of the same, and furnish the Treasurer with the quota of tax to be paid by each Member; provide books for accounts, paper and blank policies for the Secretary; to pay all the necessary expenses for printing, advertising and conducting of elections; collecting of monies due from the Members, and notifying the Members in relation to their payments being due: They shall fix the compensation for the services of the Surveyors, Secretary and Treasurer, and such other persons as they may deem necessary and proper to employ to transact the business and concerns of the Company, as to them may appear just and reasonable; and draw orders on the Treasurer, signed by the Secretary, for the same.

ART. 14. No person shall be enabled to procure a policy or effect an insurance by this Company, until he, she or they, as the case may be, shall have signed the Constitution and By-Laws of the same, and paid one dollar into the hands of the Secretary or Treasurer. And every Member shall pay for every transfer, to the Secretary, the sum of twenty-five cents: all of which is for the benefit of the Company.

ART. 15. The Directors, each of them, shall be entitled to receive as a compensation for their services, while actually employed, either at the Board or while assessing damages, at the rate of one dollar per day, from the funds of the Company.

ART. 16. It is hereby expressly understood that the exception made in the Seventh Section of the Constitution in relation to the insurance "on all kinds of distilled liquors," does not mean to include liquors or alcohol where they are sold as medicines, or for medicinal, mechanical or artistical purposes, but only where they are sold as articles of drink. It is also understood, that in explanation of the 14th Article of the By-Laws, that in cases where a policy is transferred to the purchaser, the person receiving the

policy properly transferred, shall be exempt from the payment of the entrance money of one dollar, at the time of his, her or them signing the Constitution: This is where the Member insured transfers his policy or policies entire to the individual purchaser, and to prevent any Member of the Company who has several policies for distinct properties, from creating any more Members, except they pay to the Secretary the one dollar entrance money, as also for the transfer or transfers, or for new policies.

ART. 17. The Company, at their regular Annual Meetings, are hereby authorized to make such other laws and regulations as may from time to time appear necessary to carry out the objects of the Association, which are not repugnant to the foregoing Constitution and By-Laws.

CONDITIONS OF INSURANCE.

Insurances of the different Buildings are as follows, viz:

Private Dwelling-houses of brick or stone,	-	2	per ct.
Do. do. of frame or wood,	-	3	" "
Public Houses of brick or stone,	- - - -	3	" "
Do. do. of frame or wood,	- - - -	4	" "
Barns and Hay-houses, and Buildings adjoining thereto, of brick or stone,	- - - - -	3	" "
The same, being of frame or wood,	- - - -	4	" "
Carriage or Wagon-houses, of brick or stone,		2	" "
Do. do. of frame or wood,		2½	" "
Grist-Mills, of brick or stone,	- - - - -	3½	" "
Do. of frame or wood,	- - - - -	4½	" "
Saw-Mills,	- - - - -	3	" "
Shops for the manufacture of Brooms,	- - - -	5	" "
Carpenter and Joiners' Shops,	- - - - -	6	" "
Lumber-Yards,	- - - - -	4	" "
Wheelwright Shops,	- - - - -	5	" "
Blacksmith Shops,	- - - - -	4	" "
Grist-Mills with Drying Kilns for Corn, attached thereto,	- - - - -	8	" "
Personal Property the same percentage as the Buildings that contains it.			

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